

NONRESIDENT WITHHOLDING MAGNETIC MEDIA GUIDELINES

Purpose: These guidelines explain the procedures for providing California nonresident withholding information to the Franchise Tax Board **using a 3½" Microsoft Windows formatted Magnetic Disk or CD-R (read only)**. Payers using magnetic media for individual payees should not file year-end paper Forms 592-B, *Nonresident Withholding Tax Statement*, with the Franchise Tax Board. However, payers must continue to provide paper Forms 592-B to payees showing their annual California income and withholding amounts.

Due Date: A paper Form 592, *Nonresident Withholding Annual Return*, with Form 592-B information on disk or CD is due by January 31 following the end of the year (unless we allow an extension). See *Nonresident Withholding Partnership Guidelines* (FTB Pub. 1017) for due dates related to withholding on allocations to foreign partners.

Acceptable file formats: We accept .xls (Excel 95 or 97) or comma delimited ASCII files. We prefer the Excel format. Zip compressed files of either format are acceptable.

Disk Label: The disk should have a paper label with the following information:

Withholding agent name

Tax year

Total number of payees

Contact person

Contact person's phone number (including area code)

File format

If there is more than one disk/CD, please include "Disk (CD) 1 of 2" or other reference to identify existence of multiple related disks.

Record Layout: The disk should include two files. The first file (name the file "Agentinfo.txt") is a text file that contains the following information: withholding agent, withholding agent's ID number, withholding agent's address, withholding agent's phone number, withholding agent's contact person, preparer/sender, preparer/sender's contact person, preparer/sender's phone number, and tax year. If there is more than one disk, include this text file on each disk.

The second file (name the file "Payeedata.xls" for Excel or "Payeedata.csv" for Comma Delimited ASCII) will include the required information for each payee withheld upon. This file should have the fields as shown in [Table 1: 592-B Payee Data File Layout](#). Include field or column headings exactly as shown. The field sizes shown are the maximum and should not be padded with spaces. For Comma Delimited ASCII format, enclose alpha and alpha-numeric fields in double quotes, format numeric fields as ASCII and separate fields with a comma. The total number of payees included in this file should equal the number of payees shown on the Form 592.

Table 1: 592-B Payee Data File Layout

FIELD NAME	FIELD SPECIFICATIONS	DESCRIPTION
Payee Num	5 digits, numeric	Enter the sequential number of the payee beginning with "1".
Tax Year	4 characters, numeric	Enter the 4-digit year for which the withholding was done.
ID Number	9 characters, numeric ¹	Enter the taxpayer identification number of the payee. Enter only numbers – no dashes.
ID Type	6 characters, alpha	Enter one of the following exact terms: SSN, CaCorp, FEIN, ITIN (Individual Taxpayer Identification Number – from IRS), or TPID (Taxpayer Identification Number – from FTB)
I/O	1 character, alpha	If the payee is an individual, enter "I". If the payee is not an individual, enter "O" (for Other).
First Name	11 characters, alpha	If the payee is an individual, enter the first name.
MI	1 character, alpha	If the payee is an individual, enter the middle initial.
Last Name	17 characters, alpha	If the payee is an individual, enter the last name.

Other Name Line 1	35 characters, alpha-numeric	Use when the payee is not an individual. Enter the name of the corporation, partnership, trust, etc. Do not enter the name of a contact person or a trustee.
Other Name Line 2	35 characters, alpha-numeric	Use only when the name of a non-individual payee does not fit in the "Other Name Line 1" area. Do not enter the name of a contact person in this area. If the payee is a trust, the trustee information may be entered here.
Address Line 1	30 characters, alpha-numeric ²	Enter the street address (or post office box) of the payee.
Address Line 2	30 characters, alpha-numeric ²	Use only when the street address does not fit into the "Address - Line 1" area.
City	17 characters, alpha-numeric	Enter the city of the payee.
State	2 characters, alpha	Enter the 2-letter abbreviation for the state of the payee.
Zip 5	5 characters, numeric ¹	Enter only the first 5 digits of the U.S. zip code of the payee.
Zip 4	4 characters, numeric ¹	Enter only the last 4 digits of the U.S. Zip + 4 (nine digit postal code) of the payee.
Country	30 characters, alpha-numeric	Enter the country of the payee. (default = USA)
Income Type	22 characters, alpha	Enter one of the following exact terms for the type of California source income the payee received: Independent Contractor, Rent or Royalty, Estate, Trust, Foreign Partner, Domestic Partner, or Other. (For California source income allocated to foreign members or distributed to domestic nonresident members of an LLC, use "Foreign Partner" or "Domestic Partner", respectively.)
Other Income Description	22 characters, alpha	Enter one of the following exact terms if "Other" was shown for "Type of Income": Classical, Fairs, Game Shows, Horse Racing, Performers, Plays, Sports, Universities, or Other.
Income Subject to Withholding	13 digits (10 digits to the left of decimal, 1 digit decimal, 2 digits to the right of decimal), numeric	Enter the amount of California source income subject to withholding.
Amount Withheld	13 digits (10 digits to the left of decimal, 1 digit decimal, 2 digits to the right of decimal), numeric	Enter the amount of California tax withheld.

(1) For Excel, the ID Number, Zip 5 and Zip 4 columns should be formatted for text to avoid truncation of leading zeros.

(2) Special characters of "/", "-", and "#" are acceptable for the Address Line 1 and Address Line 2 fields.

Preparation of Form 592 Disk Package: Complete Form 592, *Nonresident Withholding Annual Return*, and send it with the disk. Please label the disk as shown on side 1. If you need to send a payment with the return, send the original Form 592 with the payment to the address shown on the Form 592 and send a copy (marked "copy" at the top) with the disk to the address below. If you are the preparer for more than one withholding agent, please provide a separate Form 592 and disk for each withholding agent.

Mail your California Form 592 and withholding disk to:

NONRESIDENT WITHHOLDING SECTION
FRANCHISE TAX BOARD
PO BOX 651
SACRAMENTO CA 95812-0651

Test Disk: If you are not sure you have met the above specifications, you may send us a test disk. The test information may consist of actual or test data; however, test data should adequately represent the breadth of actual data. The test disk should be submitted early enough to allow our technicians time to analyze the data and for you to make any necessary corrections. Please send a cover letter to the above address with the test disk. Label the disk "Test Disk" in addition to the standard information required under **Disk Label** on side 1.

More Information: For more information on the requirements for sending nonresident withholding information by disk or CD, call the Nonresident Withholding Section at (916) 845-6059.